



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS AIR FORCE CIVIL ENGINEER SUPPORT AGENCY

DEC 10 1999

FROM: HQ AFCESA/CES
139 Barnes Drive Suite 1
Tyndall AFB FL 32403-5319

SUBJECT: **Engineering Technical Letter (ETL) 99-6: Programming Fuels Projects**

1. Purpose. This ETL provides guidance to civil engineer managers who program and manage maintenance, repair, minor construction, environmental, and Military Construction (MILCON) projects for liquid fuel systems where funding or MILCON management are the responsibility of the Defense Energy Support Center (DESC) (formerly Defense Fuels Supply Center (DFSC)).

2. Application: All Air Force installations using DESC-supplied fuel.

2.1. Facilities:

2.1.1. Types. Only fixed, permanent facilities meeting the criteria of paragraph 2.1.2, including:

- aircraft fuel storage;
- distribution and dispensing systems;
- related facilities such as POL operations buildings, security fences, access roads;
- bulk motor gasoline (mogas) and diesel facilities (under limited circumstances).

Note: Contingency facilities typically are not included.

2.1.2. Function. The facility must directly support the Defense Logistics Agency (DLA) bulk petroleum management mission and satisfy at least one of the following criteria:

- Stores or distributes DLA product.
- Assures environmental compliance.
- Protects DLA product from loss or contamination.
- Economically beneficial to DLA.
- Directed by DLA.
- Needed to meet minimum inventory level requirements.

Note: Contact the installation fuels office for verification of DLA ownership. These projects can be funded from either Air Force or DESC resources, but scarce Air Force funding dictates the DESC option. See AFAA report of audit 96061023.

2.2. Authority: ODASD(L/EP) Memorandum, *Bulk Petroleum Management*, 18 December 1991, implementing Defense Management Review Decision (DMRD) 926,

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Consolidation of Inventory Control Points, extending DESC's ownership of fuel to the point of issue.

2.3. Effective date: Immediately.

2.4. Expiration: Five years from date of issue.

2.5. Ultimate Recipients: Base/Installation and MAJCOM civil engineer programmers and project managers.

2.6. Coordination: MAJCOM programmers and related HQ USAF/ILE staff.

3. References.

3.1. Air Force:

- AFI 32-1032, *Planning and Programming Real Property Maintenance Projects using Appropriated Funds (APF)*
- AFAA report of audit 96061023, *Funding for Fuel Facilities Maintenance and Repair*, 13 May 1997
- HQ AFCEA Internet home page: <http://www.afcesa.af.mil>

3.2. Department of Defense (DoD):

- DoD 4140.25-M, Vol. II, Chapter 8, *Management of Storage and Distribution Facilities* (outlines Defense Energy Support Center (DESC) and Service responsibilities, and covers certain programming requirements), available at: www.dlaps.hq.dla.mil:80/dynaweb/dlaps/dodman/@Generic_BookView;lang=en
- MIL-HDBK 1022, *Petroleum Fuel Facilities*
- DLAM 4270.1, Defense Logistics Agency (DLA) *Facilities Projects Manual*, Dec 84, available at: www.dlaps.hq.dla.mil:80/dynaweb/dlaps/dlaman/@Generic_BookView;lang=en
- DESC-F Internet home page http://www.dfsc.dla.mil/main/f/home_f.htm

4. Acronyms and Terms.

A-E	– Architect-Engineer
AFAA	– Air Force Audit Agency
AFCEE	– Air Force Center for Environmental Excellence
APF	– Appropriated Funds
CE	– Civil Engineer
CoE	– Corps of Engineers (U.S. Army)
DESC	– Defense Energy Support Center
DESC-F	– Defense Energy Support Center, Office of Facilities and Distribution Management
DESC-FQ	– Defense Energy Support Center, Office of Facilities and Distribution Management, Environmental and Safety Division
DLA	– Defense Logistics Agency

IPRB	– Installation Planning and Review Board
MAJCOM	– major command
MC	– minor construction (projects)
MILCON	– Military Construction (Program)
MIPR	– Military Interdepartmental Purchase Request
mogas	– motor gasoline
MRE	– Maintenance, Repair, and Environmental
NAVFACENGCOM	– Naval Facilities Engineering Command
O&M	– Operation and Maintenance
POL	– petroleum, oil, lubricants
SIOH	– Supervision, Inspection, and Overhead
UST	– underground storage tank

4. Requirements. Before starting, base civil engineer programmers should review AFI 32-1032; DoD 4140.25M, Vol. 11, Chapter 8; and DLAM 4270.1. MILCON project scope must conform to MIL-HDBK 1022, *Petroleum Fuel Facilities* (may be downloaded from DESC-F web site; see paragraphs 3.2 and 5). Programming will be in three areas:

- MILCON;
- Maintenance, Repair, and Environmental (MRE) (equivalent to Operations and Maintenance (O&M) funds) projects by contract; and
- recurring environmental costs.

Note: Minor construction (MC) work is accomplished as part of MRE. MC exceeding \$100K is considered capital investment, and DLA limits funds for this work (approximately \$12M in FY 98).

4.1. DD Form 1391, Military Construction Project Data. Base civil engineer programmers must submit a DD Form 1391 for any project. Because DESC must approve projects for installations and missions unfamiliar to them, the form must explain the project and the need with enough detail for DESC to understand the project and agree to fund it. Where there are obvious, less expensive options, explain why they were not used. Minor construction projects should have an economic analysis attached when there may be options. For any project, provide:

- a full description of the required work.
- a listing of DESC fuel products (type of fuel and tank or facility number). If this is missing, the project will be returned without action.
- a thorough explanation of the need for the project.
- a detailed cost estimate (no lump sums). Provide realistic units of measure (e.g., meters, feet, square meters, square feet, liters, gallons).
- a cost-benefit analysis for construction projects over two million dollars, or when a more expensive construction option is selected.

For MRE projects, include Architect-Engineer (A-E) design costs and added Supervision, Inspection, and Overhead (SIOH) for outside management of the design contract by the Naval Facilities Engineering Command (NAVFACENGCOM), the Corps of Engineers (CoE), or others, if applicable.

4.2. DESC Project Calls. The date of the MILCON project call varies, but normally occurs before mid-April. DESC issues calls for MRE project documentation near the start of each fiscal year with submissions due around the start of the calendar year.

Note: Facility Board approval is needed only for project validation.

4.2.1. MILCON. The call for the FY 03 program was 5 April 1999 with submissions due on 15 May 1999. Required was a DD Form 1391 with a cost estimate that outlines specific components to be included in the project. The call letter identifies criteria applied by a computerized expert choice system, used to rank projects. In general, this ranking is followed when projects are prioritized. If your project is to succeed, the DD Form 1391 must specifically address the ranking criteria provided with the letter.

4.2.2. MRE. The project call for the FY 01 MRE program required the program to be to DESC by 1 February 2000. DD 1391s, cost estimates, and other supporting information for FY 01 and a line item listing of FY 02 projects are due then. Normally, out-of-cycle submissions are limited to emergencies.

4.2.3. Recurring Environmental Costs. The MRE project call includes a requirement to project recurring environmental costs for the next fiscal year and submit them to DESC-FQ. Detailed guidance is contained on the DESC-F home page. Required information included cost of bottom water removal, related costs of the spill prevention and countermeasures plan, equipment testing to meet environmental requirements, laboratory tests, permits and fees. This call is frequently overlooked and military bases lose out on this substantial funding support.

Note: Request only the minimum project scope needed to do the job. DESC realizes the Services can program projects without the compromise needed when funds are constrained. As a result, they look for instances of gold-plating. You are dealing with experts; don't try to fool them.

Note: Be consistent when working with DESC. Credibility pays.

4.3. MAJCOM Review. MAJCOMs task bases for their MILCON and MRE programs based on the DESC call. Bases send the MILCON and MRE submissions to the MAJCOM CE Programming Office and usually the MAJCOM CE Fuels Engineer. MAJCOMs review the documents for completeness and forward them to DESC.

4.4. MILCON Projects in the DESC/DLA Funded Program. MILCON projects placed in the funded category by the DESC IPRB will require extensive additional documentation. Installations have until January of the year following the IPRB to submit: an updated DD 1391, facility study, economic analysis, detailed cost estimate, assessment of potential environmental impact, site approval, and backup documentation. Some MAJCOMs perform this work using A-E services.

4.5. MRE Project Processing

4.5.1. Project Tracking and Request for Design Funds. Once an MRE project is approved by DESC, base civil engineer programmers should:

- Track it from receipt to construction completion on the DESC-F web page.
- Request design funds. DESC releases funds by Military Interdepartmental Purchase Request (MIPR) so the design can be completed before the approved fiscal year. Identify project number and amount of funds required. Explain significant deviations.
 - Provide DESC the name, address and phone number for the person to receive funds and the project officer.
 - Keep DESC informed of any changes in cost, both increases and decreases.
 - Keep your MAJCOM programmer informed of project status.

4.5.2. A-E Selection. Once funds are received, base civil engineering should select an A-E. Many fuels projects require specific fuels knowledge. A-Es with fuels expertise are available under open-end contracts through NAVFACENGCOM, CoE, certain MAJCOMs, the Air Force Center for Environmental Excellence (AFCEE), and AFCESA (AFCESA is developing a web site to identify all DoD sources). In the interim, a link on the AFCESA home page identifies sufficient sources to make a selection. Available services include design, tank inspections, tank cleaning, piping inspections, and underground storage tank (UST) removal. Except for routine work, avoid the base open-end A-E designer. Advise DESC of the award amount and date.

Note: Excess design funds should be returned to DESC. Failure to return design funds to DESC was a finding of the Air Force Audit Agency in their 13 May 97 report.

4.5.3. Request Project Funds. Once design is complete, base civil engineering should advise DESC and request project funds, following the steps in paragraph 4.5 for requesting design funds.

4.5.3.1. Advertise Contract. Once funds are received, advertise and award the contract.

4.5.3.2. Modifications. Insure any project modifications are accomplished with DESC funds, not base funds.

4.5.4. Project Completion. Upon completion of construction, base civil engineer project managers should notify DESC through the MAJCOM, and:

- Identify the total amount of funds MIPR-ed to the base.
- Identify total contract amount.
- Return excess funds to DESC through the base finance office.

5. Additional Technical Support. The DESC-F home page has links to valuable information useful in developing projects of all types, including:

- MILCON and MRE project call letters with attachments.
- MRE project data base updated daily. Access is restricted, so follow the instructions provided.
- Project programming instructions with common problems identified.
- Definitions of maintenance, repair, and minor construction.
- Detailed instructions and forms for requesting recurring environmental funds, as well as environmental projects. Sample DD Forms 1391 are provided.

Go to http://www.dfsc.dla.mil/main/f/home_f.htm. Links to this site are also available from the AFCESA home page: <http://www.afcesa.af.mil>.

6. Point of Contact: Mr. Alvin E. Day, HQ AFCESA/CESM, DSN 523-6357; commercial 850-283-6357; internet alvin.day@tyndall.af.mil; FAX 850-283-6219.

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Director of Technical Support

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